College of Commerce
Division of Economic and Financial Studies
Department of Business

BBA102:
BUSINESS ORGANISATION
PRINCIPLES

UNIT OUTLINE

2004
1. UNIT OBJECTIVES AND FORMAT

Beginning with the premise that organisations bring people together to achieve what they could not achieve individually, this unit examines organisations and their activities from a number of perspectives. An historical perspective of the management of organisations is developed, including current management approaches and their origins. Structure and strategy are explored from the perspective of their roles as foundations of organisation. Operations and human resource management are examined as major functions in an organisation (other functions such as accounting, marketing, etc. are addressed in other units). From a contemporary perspective, ethics and globalisation are addressed as significant issues facing organisations.

An organisation does not exist in isolation, but is constantly interacting with its environment. The role of the organisation viewed from the perspectives of the society to which it is accountable, and the economy within which it operates, is examined.

Business Organisation Principles is presented in two distinct streams. The lecture stream consists of a series of lectures. The lectures loosely parallel the text. Because the unit is rather broad in scope, a number of guest lecturers have been arranged to present lectures in their own area of specialisation. The tutorial stream addresses additional areas relevant to the unit as well as developing skills that will be valuable in your career. It is worth noting that while tutorials are not compulsory, the additional material covered in the tutorials is examinable, and if your final grade is marginal, your tutors opinion of your performance may be instrumental in determining your final grade.

2. LECTURERS AND LECTURE SCHEDULE

The Lecturer In Charge of the unit is Gordon Brooks (extension 7472). Inquiries of an administrative nature should be directed to Gordon in the first instance.

The lecturers in this unit are:

Gordon Brooks (email gbrooks@sfs.mq.edu.au, room C5C333, ph 9850 7472)

Supriya Eliezer (email seliezer@sfs.mq.edu.au, ph 9850 9193)

Peter Murray (email pmurray@sfs.mq.edu.au, room C5C334, ph 9850 7787)
<table>
<thead>
<tr>
<th>Week</th>
<th>Date</th>
<th>Topic</th>
<th>Lecturer</th>
<th>Tutorials</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>Monday 2 August</td>
<td>Introduction</td>
<td>G. Brooks</td>
<td>No tutorial</td>
</tr>
<tr>
<td></td>
<td>Thursday 5 August</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>2</td>
<td>Monday 9 August</td>
<td>History of Management</td>
<td>G. Brooks</td>
<td>No tutorial</td>
</tr>
<tr>
<td></td>
<td>Thursday 12 August</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>3</td>
<td>Monday 16 August</td>
<td>Managerial Performance</td>
<td>G. Brooks</td>
<td>Group Skills</td>
</tr>
<tr>
<td></td>
<td>Thursday 19 August</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>4</td>
<td>Monday 23 August</td>
<td>Environment</td>
<td>G. Brooks</td>
<td>Group Skills</td>
</tr>
<tr>
<td></td>
<td>Thursday 26 August</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>5</td>
<td>Monday 30 August</td>
<td>Strategy</td>
<td>G. Brooks</td>
<td>No tutorial</td>
</tr>
<tr>
<td></td>
<td>Thursday 2 September</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>6</td>
<td>Monday 6 September</td>
<td>Class Test</td>
<td>G. Brooks</td>
<td>Group Presentation 1</td>
</tr>
<tr>
<td></td>
<td>Thursday 9 September</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>7</td>
<td>Monday 13 September</td>
<td>Organisational Control</td>
<td>S. Eliezer</td>
<td>Group Presentation 2</td>
</tr>
<tr>
<td></td>
<td>Thursday 16 September</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>Monday 20 September</td>
<td>MID SEMESTER BREAK</td>
<td></td>
<td>No tutorial</td>
</tr>
<tr>
<td></td>
<td>Monday 4 October</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>8</td>
<td>Monday Public Holiday</td>
<td>Decision Making</td>
<td>S. Eliezer</td>
<td>No tutorial</td>
</tr>
<tr>
<td></td>
<td>Thursday 7 October</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>9</td>
<td>Monday 11 October</td>
<td>Ethics</td>
<td>S. Eliezer</td>
<td>Group Presentation 3</td>
</tr>
<tr>
<td></td>
<td>Thursday 14 October</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>10</td>
<td>Monday 18 October</td>
<td>Structure</td>
<td>G. Brooks</td>
<td>Group Presentation 4</td>
</tr>
<tr>
<td></td>
<td>Thursday 21 October</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>11</td>
<td>Monday 25 October</td>
<td>Operations Management</td>
<td>G. Brooks</td>
<td>Group Presentation 5</td>
</tr>
<tr>
<td></td>
<td>Thursday 28 October</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>12</td>
<td>Monday 1 November</td>
<td>Human Resource</td>
<td>P Murray</td>
<td>Group Presentation 6</td>
</tr>
<tr>
<td></td>
<td>Thursday 4 November</td>
<td>Management</td>
<td></td>
<td></td>
</tr>
<tr>
<td>13</td>
<td>Monday 8 November</td>
<td>Review</td>
<td>G. Brooks</td>
<td>No tutorial</td>
</tr>
<tr>
<td></td>
<td>Thursday 11 November</td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>
3. TEXT
The text for this unit is:

Recommended Reading


The McKenna text is highly recommended, as it takes a contemporary approach to managing and is Australian in authorship and content. Rue and Byars gives an American perspective, and while Bartol et al is similar it presents an Australian slant on the American perspective.

There are many other books and journals which can assist the student. The area covered is large and so is the range of books and journals. You are commended to consult the library holdings if you require further reading.

Reading for Lectures
Many students come to lectures without having read the material before hand. This represents a lost opportunity for those students. Ideally students will have read the relevant chapters before the lecture. This will help them to focus on the areas that they have the most difficulty with and more fully recognise the content of the material being presented.

<table>
<thead>
<tr>
<th>Lecture</th>
<th>Topic</th>
<th>Reading</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>Introduction</td>
<td>Jones &amp; George Ch 1</td>
</tr>
<tr>
<td>2</td>
<td>History of Management</td>
<td>Jones &amp; George Ch 2</td>
</tr>
<tr>
<td>3</td>
<td>Managerial Performance</td>
<td></td>
</tr>
<tr>
<td>4</td>
<td>Environment</td>
<td>Jones &amp; George Ch 5 &amp; 6</td>
</tr>
<tr>
<td>5</td>
<td>Strategy</td>
<td>Jones &amp; George Ch 8</td>
</tr>
<tr>
<td>6</td>
<td>Class Test</td>
<td></td>
</tr>
<tr>
<td>7</td>
<td>Organisational Control</td>
<td>Jones &amp; George Ch 10</td>
</tr>
<tr>
<td>8</td>
<td>Decision Making</td>
<td>Jones &amp; George Ch 7</td>
</tr>
<tr>
<td>9</td>
<td>Ethics</td>
<td>Jones &amp; George Ch 3</td>
</tr>
<tr>
<td>10</td>
<td>Structure</td>
<td>Jones &amp; George Ch 9</td>
</tr>
<tr>
<td>11</td>
<td>Operations Management</td>
<td>Jones &amp; George Ch 18</td>
</tr>
<tr>
<td>12</td>
<td>Human Resource Management</td>
<td>Jones &amp; George Ch 11</td>
</tr>
<tr>
<td>13</td>
<td>Review</td>
<td></td>
</tr>
</tbody>
</table>

BBA102  Gordon Brooks
4. **ASSESSMENT**
Assessment in the course will be as follows:

(a) Group Presentation 12%
(b) Mid Semester Exam 20%
(c) Group Project 18%
(d) Final Exam 50%

**TOTAL** 100%

**Mid Semester Exam**
The mid semester exam will be completed in the lecture classes of Week 6. The exam will consist of approximately sixty multiple choice questions and be one and a half hours in length. The exam will be 'closed book'. The material covered in the exam will be that covered in the lectures up to and including Week 5, Strategy.

**Final Examination**
The final examination will be held during the formal examination period. The exam will be 'closed book'. Further details will be given towards the end of the course. Students must pass the final exam to pass the unit.

**Supplementary Exams**
While supplementary exams are available for students who can demonstrate misadventure to the satisfaction of the university, supplementary final exams will not be offered to students who have not achieved pass grades for the rest of their work in this unit.

**Group Presentation and Group Project**
In your tutorial class you will form into groups. Each group will present a topic to the tutorial class and also complete a group project.

**Written and Oral Expression**
Written and oral expression are necessary skills in business. There are many business situations where your written and oral expression skills have a substantial impact on your work performance. For example, it will be difficult to meet your boss’ expectations if you do not understand the tasks that you have been given and/or cannot communicate your findings clearly.

Similarly, if you have a task for your subordinates to perform you need to be able to communicate it clearly if they are to have a fair chance of meeting your requirements. Written and oral expression skills are also needed to persuade people to your point of view and to ensure that your actions as an officer of your company are clearly represented.

For all these reasons the quality of your written expression will be a factor in the grading of your work.
5. **ENQUIRIES AND PROBLEMS**

**Administrative:**
If you wish to change your tutorial or have other administrative enquiries contact

Gordon Brooks (Room C5C333, email gbrooks@efs.mq.edu.au, telephone 9850 7472).

**Academic:**
If you are having difficulty understanding any aspect of the course or what is required of you, contact the lecturers who presented the topic area or your tutor.

**Personal:**
If, for whatever reason, you find yourself in serious difficulties in relation to your university studies, you are strongly encouraged to inform your lecturers of your situation and how it is affecting you. You don't have to go into personal details if that is not your wish; just outline the facts of the case so that the lecturer is aware that a problem exists. It is better to do this while the difficulties are occurring rather than afterwards.

6. **STUDENTS’ RESPONSIBILITIES**

University Staff provide a wide range of services to assist you with the course. These include:

- lectures
- tutorials
- individual consultation upon request
- assistance with study skills (library, audiovisual section)
- assistance with writing skills (English for Academic Purposes)
- assistance with mathematical skills (Numeracy Centre)
- assistance with personal problems (Counselling Service)

However, it is your responsibility, not that of the staff, to ensure that a satisfactory understanding of the course material is achieved. How this understanding is achieved is also your responsibility. There are no fixed formulae. Lectures and tutorials are available to you if you find them helpful (as most do). Although attendance is desirable and strongly encouraged, we do not enforce it.

Satisfactory standards will not be achieved by mere attendance at classes. It is essential that you regularly ask yourself whether you are really understanding coursework or coping with your studies, and to initiate some action if you are not. It is possible to do yourself a disservice by being aware of a problem, whether academic or personal, and doing nothing about it.

7. **WITHDRAWAL FROM THE UNIT**

You may withdraw from the unit without penalty, within four weeks of the beginning of the semester, by consulting an academic adviser and completing a change of program form. After this time, discontinuance will result in a failure unless you withdraw on serious medical or other grounds. You will need to consult an academic adviser to determine the cut-off date for withdrawals.
8. IMPORTANT NOTES

Special Consideration

You are expected to attend scheduled examinations with the other students completing this unit. If extraordinary circumstances prevent you from attending the scheduled examination or affect your performance in an examination, you may wish to lodge a request for special consideration.

Any such requests must be lodged on the appropriate form. If there are medical circumstances you wish to be taken into account when considering your request, the medical information must be lodged on the attached Professional Authority Form. No other form of medical certificate will be recognised.

Supplementary Examinations

The academic staff managing this unit may, at their discretion, decide that, in the light of the circumstances set out in a request for special consideration, the appropriate way to assess your performance in this unit is to invite you to sit a supplementary examination. (It is not automatic that you will receive a supplementary examination if you have missed an examination due to medical reasons or misadventure. Students need to have an adequate performance in other assessment components to be considered for a supplementary examination.)

Cheating and Plagiarism

Cheating and plagiarism are regarded as attempts to gain an unfair advantage over your fellow students and will not be tolerated. Please read the Plagiarism and Cheating document below which sets out the Division's policy in these matters.

Support Services for Overseas Students

The University Counselling and Health Services has appointed a counsellor specifically to assist students from overseas countries and those who speak English as their second language. She is particularly expert in assisting with difficulties which involve adjustment to University life or to Australian custom, personal difficulties or the skills of studying, of reading, learning and remembering, or organising and motivating study, or of facing the examinations. Much of the work with students is conducted on an individual basis in a confidential setting. However, each semester groups are conducted to assist students in study skills, stress management and preparation for returning to the home country.

THE DANGERS OF CHEATING AND PLAGIARISM AND HOW TO AVOID THEM

To cheat in the context of university assignments, tests and examinations is to attempt to gain an unfair advantage by violating the principles of intellectual and scholarly integrity. Cheating also encompasses plagiarism, which is the appropriation or imitation of another person's ideas and manner of expressing them.
WHAT IS CHEATING?

You will be guilty of cheating if you do any of the following:

1. Copy from another student during a test or examination. This is cheating whether or not there is collusion between the students involved. Collusion with another student who wishes to cheat from you exposes both parties to penalties under University Regulations.

2. Use or paraphrase the work of others, including any document, audio-visual or computer-based material, when preparing an assignment or writing an examination, and pretend it is your own work by not acknowledging where it came from.

3. Copy from another student's coursework whether that copying be with or without the knowledge of that student. This includes:
   - copying all or part of someone else's assignment
   - allowing someone else to copy all or part of your assignment
   - having someone else do all or part of an assignment for you
   - doing all or part of someone else's assignment for them.

4. Make up data and fabricate results in research assignments.

5. Impersonate someone else in an examination or test, or arrange such impersonation.

6. Use forbidden material in a test or examination, whether in printed or electronic form. For example, attempting to use a non-standard calculator in a restricted calculator examination.

WHY IS IT WRONG?

If you take and use the work of another person without clearly stating or acknowledging your source, you are falsely claiming that material as your own work and committing an act of plagiarism. This is wrong because:

- it violates the principle of intellectual and scholarly integrity.
- it devalues the grades and qualifications gained legitimately by other students.

PREVENTING CHEATING

All students and staff have a responsibility to prevent, discourage and report cheating.

Typically students cheat because they are having difficulty with the unit content, the language of the unit, or both. Cheating and/or plagiarism can be a temptation when students are experiencing difficulty with a heavy workload in the unit and seek to save time by using others work.

To avoid having students resort to cheating, the University provides many services to help students with their course or to make thoughtful decisions about whether to continue. Within the Division of
Economic and Financial Studies, students should first seek assistance from their tutor and/or lecturer. The University also offers help through the Dean of Students or the University Health and Counselling Services.

There is a difference between getting help and cheating. You are encouraged to get help if you need assistance to understand the material and any set work so that you are in a better position to create your own answers.

HOW TO PLAY SAFE

To maintain good academic practice, so that you may be given credit for your own efforts, and so that your own contribution can be properly appreciated and evaluated, you should acknowledge your sources and you should ALWAYS:

(i) State clearly in the appropriate form where you found the material on which you have based your work, using the system of reference specified by the Division in which your assignment was set;

(ii) Acknowledge the people whose concepts, experiments or results you have extracted, developed or summarised, even if you put these ideas into your own words;

(iii) Avoid excessive copying of passages by another author, even where the source is acknowledged. Find another form of words to show that you have thought about the material and understood it, but remember to state clearly where you found the ideas.

There is nothing wrong with working with other students in a group; indeed sometimes you will be encouraged to do so. But after a certain point, each student must work on their own to produce their own written answers. If no specific guidelines for group-work have been given, a reasonable interpretation is that it is acceptable for two or more students to discuss a problem among themselves or with a staff member. The group may then agree that the answer should include certain points. But then each member of the group must independently write their own answer to the problem.

PENALTIES

Students who are guilty of cheating and plagiarism will be penalised. Depending on the nature of the offence, the unit coordinator will determine the penalty. For example, extensive plagiarism may result in zero marks for an assignment. Repeat offences will be referred to the University Discipline Committee and may result in failure or exclusion from the university.

(This material has been compiled from the existing plagiarism documents of Macquarie University and University of Auckland.)
MACQUARIE UNIVERSITY

Professional Authority Form

This form must be completed by a professional authority.

Students at Macquarie University are able to apply for special consideration if they are unable to attend an examination or if they consider that their examination preparation or overall performance in a unit of study has been affected by unavoidable disruption or misadventure. Special consideration may also be granted if a student is forced to leave the examination room early due to illness or unavoidable disruption and believes that his/her examination performance has been affected. In most circumstances documentary evidence is required before special consideration will be granted and your assistance in providing information on the student's illness or misadventure would be appreciated. The information you provide will allow the University to make a fair decision about the student's academic performance and will only be used to assess the student's request for special consideration. If special consideration is requested on non-medical grounds, appropriate supporting documentation must be provided, e.g. statutory declarations by independent witnesses, police reports, or statements from sufficiently senior officials in the place of employment. Photocopies of documents will not be accepted unless they have been certified by a member of the Registrar's staff.

Professional Use Only

Student's Name: ________________________  ID Number: ________________________

Date of Consultation: ________________________

Date/s of illness or misadventure: From: _______________  To: _______________

Please tick the box which best describes the student's illness or misadventure

| Negligible ( ) | mild ( ) | moderate ( ) | severe ( ) |

Was the student suffering from symptoms of the illness or misadventure on the date of the consultation? Yes/No

Please provide details of misadventure or illness including symptoms and the way in which the circumstances are likely to affect exam performance. Is the illness or misadventure related to or as a result of a pre-existing condition? Give details below.

__________________________________________________________________________________________________________________________________________________

Name and Title: ___________________________

Profession: ________________  Provider Number: ___________________________

Signature: ____________________________  Phone number/s: ____________________________

Stamp or seal of Professional Authority
(or attach letterhead)

BBA102  Gordon Brooks  10/10
MKTG 305 MARKETING SEMINAR

Seminar Topic

Customer Focus

Throughout your studies, you have encountered the message that marketers recognize the need to be customer focused. Our business model proposes that consumers and customers behave in a way that will result in the best perceived value for them. Customer satisfaction is measured in terms of the value the customers were expecting compared with the value they feel they received. If we continually satisfy our customers, we will move them up the “ladder of loyalty” to the point were, rather than seller-buyer, the relationship becomes one of partnership. These loyal customers have the potential to be the most profitable customers, for example, they have a zero acquisition cost.

What are the key issues involved when an organization sets out to develop longer term customer relationships?

Any recognized marketing textbook will give you a good starting point so why not reopen your Kotler book. Other sources could include:

Heil, G., Parker, T, Stephens, D.C., One size fits one : building relationships one customer and one employee at a time

Peppers, D., Rogers, M., One to one future : building business relationships one customer at a time

Ford, D., Gadde, Lars-Erik... [et al.] Managing business relationships.

Shaw, R. with Reed, D., Measuring and valuing customer relationships : how to develop the measures that drive profitable CRM strategies

Seybold, Patricia, Customer Revolution
MKTG 305 MARKETING SEMINAR

Seminar Topic

Customer Focus

Throughout your studies, you have encountered the message that marketers recognize the need to be customer focused. Our business model proposes that consumers and customers behave in a way that will result in the best perceived value for them. Customer satisfaction is measured in terms of the value the customers were expecting compared with the value they feel they received. If we continually satisfy our customers, we will move them up the “ladder of loyalty” to the point were, rather than seller-buyer, the relationship becomes one of partnership. These loyal customers have the potential to be the most profitable customers, for example, they have a zero acquisition cost.

What are the key issues involved when an organization sets out to develop longer term customer relationships?

Any recognized marketing textbook will give you a good starting point so why not reopen your Kotler book. Other sources could include:

Heil, G., Parker, T, Stephens, D.C., One size fits one: building relationships one customer and one employee at a time

Peppers, D., Rogers, M., One to one future: building business relationships one customer at a time

Ford, D, Gadde, Lars-Erik... [et al.] Managing business relationships.

Shaw, R. with Reed, D., Measuring and valuing customer relationships: how to develop the measures that drive profitable CRM strategies

Seybold, Patricia, Customer Revolution
MKTG 305 MARKETING SEMINAR

Seminar Topic

Customer Focus

Throughout your studies, you have encountered the message that marketers recognize the need to be customer focused. Our business model proposes that consumers and customers behave in a way that will result in the best perceived value for them. Customer satisfaction is measured in terms of the value the customers were expecting compared with the value they feel they received. If we continually satisfy our customers, we will move them up the “ladder of loyalty” to the point were, rather than seller-buyer, the relationship becomes one of partnership. These loyal customers have the potential to be the most profitable customers, for example, they have a zero acquisition cost.

What are the key issues involved when an organization sets out to develop longer term customer relationships?

Any recognized marketing textbook will give you a good starting point so why not reopen your Kotler book. Other sources could include:

Heil, G., Parker., T, Stephens, D.C., One size fits one : building relationships one customer and one employee at a time

Peppers, D., Rogers, M., One to one future : building business relationships one customer at a time

Ford, D., Gadde, Lars-Erik... [et al.] Managing business relationships.

Shaw, R. with Reed, D., Measuring and valuing customer relationships : how to develop the measures that drive profitable CRM strategies

Seybold, Patricia, Customer Revolution
MKTG 305 MARKETING SEMINAR

Seminar Topic

Customer Focus

Throughout your studies, you have encountered the message that marketers recognize the need to be customer focused. Our business model proposes that consumers and customers behave in a way that will result in the best perceived value for them. Customer satisfaction is measured in terms of the value the customers were expecting compared with the value they feel they received. If we continually satisfy our customers, we will move them up the “ladder of loyalty” to the point were, rather than seller-buyer, the relationship becomes one of partnership. These loyal customers have the potential to be the most profitable customers, for example, they have a zero acquisition cost.

What are the key issues involved when an organization sets out to develop longer term customer relationships?

Any recognized marketing textbook will give you a good starting point so why not reopen your Kotler book. Other sources could include:

Heil, G., Parker, T, Stephens, D.C., One size fits one: building relationships one customer and one employee at a time

Peppers, D., Rogers, M., One to one future: building business relationships one customer at a time

Ford, D., Gadde, Lars-Erik... [et al.] Managing business relationships.

Shaw, R. with Reed, D., Measuring and valuing customer relationships: how to develop the measures that drive profitable CRM strategies

Seybold, Patricia, Customer Revolution
MKTG 305 MARKETING SEMINAR

Seminar Topic

Customer Focus

Throughout your studies, you have encountered the message that marketers recognize the need to be customer focused. Our business model proposes that consumers and customers behave in a way that will result in the best perceived value for them. Customer satisfaction is measured in terms of the value the customers were expecting compared with the value they feel they received. If we continually satisfy our customers, we will move them up the “ladder of loyalty” to the point where, rather than seller-buyer, the relationship becomes one of partnership. These loyal customers have the potential to be the most profitable customers, for example, they have a zero acquisition cost.

What are the key issues involved when an organization sets out to develop longer term customer relationships?

Any recognized marketing textbook will give you a good starting point so why not reopen your Kotler book. Other sources could include:

Heil, G., Parker, T, Stephens, D.C., One size fits one : building relationships one customer and one employee at a time

Peppers, D., Rogers, M., One to one future : building business relationships one customer at a time

Ford, D., Gadde, Lars-Erik... [et al.] Managing business relationships.

Shaw, R. with Reed, D., Measuring and valuing customer relationships : how to develop the measures that drive profitable CRM strategies

Seybold, Patricia, Customer Revolution
MKTG 305 MARKETING SEMINAR

Seminar Topic

Customer Focus

Throughout your studies, you have encountered the message that marketers recognize the need to be customer focused. Our business model proposes that consumers and customers behave in a way that will result in the best perceived value for them. Customer satisfaction is measured in terms of the value the customers were expecting compared with the value they feel they received. If we continually satisfy our customers, we will move them up the “ladder of loyalty” to the point were, rather than seller-buyer, the relationship becomes one of partnership. These loyal customers have the potential to be the most profitable customers, for example, they have a zero acquisition cost.

What are the key issues involved when an organization sets out to develop longer term customer relationships?

Any recognized marketing textbook will give you a good starting point so why not reopen your Kotler book. Other sources could include:

Heil, G., Parker., T, Stephens, D.C., One size fits one : building relationships one customer and one employee at a time

Peppers, D., Rogers, M., One to one future : building business relationships one customer at a time

Ford, D., Gadde, Lars-Erik... [et al.] Managing business relationships.

Shaw, R. with Reed, D., Measuring and valuing customer relationships : how to develop the measures that drive profitable CRM strategies

Seybold, Patricia, Customer Revolution